

STATEMENT OF SENATOR JOHN McCAIN  
CHAIRMAN, SENATE COMMITTEE ON  
COMMERCE, SCIENCE, AND TRANSPORTATION  
FULL COMMITTEE HEARING ON  
MEDIA OWNERSHIP: RADIO  
JANURARY 30, 2003

- Today, the Committee begins a series of hearings examining media ownership. Later this year, the Federal Communications Commission will act on a proceeding that addresses a number of different media ownership issues. These decisions will have a significant impact on the American media landscape.
- I have always been a firm believer in free market principles. I continue to believe that anachronistic government regulations that do not reflect today's multimedia marketplace should be thoroughly reviewed by the FCC and repealed or modified wherever appropriate. Given the tremendous impact media can have in the everyday lives and thinking of Americans, however, we must approach these issues thoughtfully and it is important that the Committee hold hearings to better understand them.
- Today we will examine media ownership in the radio industry. After enactment of the Telecommunications Act of 1996, the radio industry saw unprecedented consolidation. Several station owners began to purchase stations across the United States and the largest owner, Clear Channel Communications, has grown from 60 stations in 1996 to over 1,200 stations today. Many critics have voiced their concerns about radio consolidation and have alleged that some companies have been engaging in anticompetitive behavior.
- For instance, some have claimed that Clear Channel's vertical integration with its entertainment division has hurt independent concert promoters and artists. Some artists suggest that their refusal to use Clear Channel's promotion services has led to their music not being played on Clear Channel stations. I am concerned about these allegations and I look forward to hearing from the witnesses on these specific issues.
- Finally, I believe that, wherever possible, we should look to market-based approaches to ensure there is diversity in media ownership. Later today, I will re-introduce the "The Telecommunications Ownership Diversification Act." The bill provides a tax deferral and other market-based incentives designed to ensure that our tax laws do not disadvantage small businesses that may be owned by women and minorities who can help to further viewpoint diversity in media. I hope that other members of the Committee will join me on this important legislation.